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2003 MAY -5 P 12: 52

CHIEF CLERK'S OFFICE

Corn Belt Energy Corporation :

Application for Amendment to
Certificate of Service Authority
Pursuant to Section 19-110
of the Public Utilities Act. :

Docket No. 03-0254

RESPONSE

Comes now Corn Belt Energy Corporation ("Applicant"), and for its Verified Response to the Hearing Examiner's Ruling in the above-captioned matter, states as follows:

1. Attached hereto as Exhibit A and incorporated herein by this reference is the Proof of Publication as required by 83 Ill. Adm. Code 551.30(a).

2. Applicant does not seek confidential treatment of certain information per paragraph 20 of Applicant's Application. This statement was in error.

3. The reference to 551.80 (a)(3) in paragraph 20 was a typographical error. The reference was intended to be to 83 Ill. Adm. Code 551.80(a) regarding Applicant's Dun & Bradstreet Business Information Report.

4. Pursuant to the hearing examiner's request, attached hereto as Exhibit B and incorporated herein by this reference is a more recent Dun & Bradstreet Business Information Report for Applicant. The report still shows a PAYDEX score of "69." Therefore, Applicant seeks to otherwise demonstrate that it possesses sufficient financial resources pursuant to 83 Ill. Adm. Code 551.80 based on the following information:

- a. Applicant has in the past had a PAYDEX score of 70 or higher.
- b. Applicant had a dispute with a supplier regarding the payment of an invoice. Attached hereto as Exhibit C and incorporated herein by this reference is a copy of a letter from Corn Belt to the D&B Corporation concerning this dispute. Also attached hereto as Exhibit D and incorporated herein by this reference is a copy of a credit memo from Hughes Supply. The dispute concerned an invoice with Hughes Supply, d/b/a Electric Laboratories and Sales Corporation. The dispute was resolved and payment made by Applicant. However, D&B placed a mark against Applicant's credit due to the dispute. Pursuant to the letter attached hereto as Exhibit C, Applicant is attempting to clear its good name and credit rating. Applicant asserts that the dispute with Hughes Supply referenced herein is the only reason Applicant does not have a PAYDEX rating of 70 or higher.
- c. Applicant has been involved in the NICOR gas program since its inception, has met all its obligations and has had no problems.
- d. Attached hereto as Exhibit E and incorporated herein by this reference is a summary copy of Applicant's 2002 Financial Statements. Please note that for 2002, Applicant had margins of \$4,459,199 based on revenues of \$44,942,688. Applicant also is forecasting positive margins for 2003.

- e. Based on the above information, Applicant asserts that it has “otherwise demonstrated” pursuant to 83 Ill. Adm. Code 551.80 that it possesses sufficient financial resources.

5. Technical Experience. Applicant does not intend to satisfy 83 Ill. Adm. Code 551.90(b). Applicant hereby provides the following demonstration of technical qualifications to satisfy 83 Ill. Adm. Code 551.90(d):

- a. Applicant has an agreement with the Illinois Municipal Gas Agency (IMGA) whereby the Operations Manager of the IMGA will provide her respective technical qualifications, expertise and assistance on behalf of Applicant. The specific qualifications of the IMGA Operations Manager are attached to this Response as Exhibit F. The Operations Manager of the IMGA has in excess of four years natural gas sales experience and two years experience working with the rules and practices established by the Gas Industry Standards Board.
- b. Applicant has also attached hereto as Exhibits G and H, the specific qualifications of Applicant’s Member Accounts Supervisor and Senior Member Accounts Representative, respectively. Both of these employees have in excess of four years natural gas sales experience.

The combined expertise of the persons mentioned above meets the technical resources and abilities Applicant needs to match the services that it intends to provide to its customers pursuant to its Application for Amendment to Certificate of Service Authority filed herein.

6. Managerial Experience. Applicant hereby provides the following demonstration of managerial qualifications pursuant to 83 Ill. Adm. Code 551.100:

a. Applicant has three individuals in management positions with four or more years demonstrated experience in management positions with enterprise financial and administrative responsibilities including profit and loss responsibilities and four years natural gas sales experience within the meaning of the introductory paragraph of 83 Ill. Adm. 550.100. These individuals are Ronald A. Stack, Robert J. Fischbach and Barbara S. Caspar. Mr.'s Stack and Fischbach's qualifications are attached hereto as Exhibits I and J, respectively. Ms. Caspar's specific qualifications are attached hereto as Exhibit G.

7. Organizational Chart. Attached hereto as Exhibit K is Applicant's current organizational chart as required by 83 Ill. Adm. Code 551.100(b).

8. The NICOR tariff sheet(s) defining the small commercial rate class that Applicant wishes to serve are Rate 4, Rider 15, 16 and 25 and Rate 74.

WHEREFORE, Applicant requests that the Commission grant its application for an amendment to its certificate of service authority to serve residential and commercial natural gas customers within the NICOR service area of Illinois and for such other and further relief as is just and equitable.

Respectfully submitted,

CORN BELT ENERGY CORPORATION

By:



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VERIFICATION

STATE OF ILLINOIS

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COUNTY OF MCLEAN

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SS:

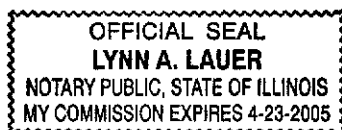
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Ronald A Stack, being first duly sworn, does depose and state:

1. I am the Vice President of Utility Services of Corn Belt Energy Corporation (Corn Belt).
2. I have reviewed the foregoing Response of Corn Belt and am familiar with the facts set forth therein, and verify that, to the best of my knowledge and belief, those facts are true and correct.

Ronald A. Stack
Ronald A. Stack

Subscribed and sworn to before me this 2nd day of May, 2003.




Lynn A. Lawer
Notary Public

CERTIFICATE OF SERVICE

I, Michael W. Hastings, hereby certify that on the 2nd day of MAY, 2003, I deposited in the United States mail, postage prepaid, a copy of the document attached hereto and incorporated herein, addressed to the following persons at the address under their names:

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